

SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF CLAIMS

This Settlement Agreement and Mutual Release of Claims ("Agreement") is executed by Cariños de Los Niños Charter School ("CARIÑOS"), by and through its Governance Council, and by Española Public Schools ("EPS"), by and through its Board of Education.

1. CARIÑOS and its agents, representatives, attorneys, assigns, and anyone else claiming on behalf of or through CARIÑOS (collectively and individually referred to herein as "CARIÑOS") for good and valuable consideration, as described herein, hereby releases EPS, and all of the former and current officials, employees, agents, representatives, attorneys, insurers, successors, and assigns, each in their individual and official capacities (collectively and individually referred to herein as "EPS") from any and all liability regarding all matters raised or which could have been raised on or prior to the date of this Agreement by or on behalf of CARIÑOS relating to the litigation filed in the First Judicial District Court for the State of New Mexico as No. D-117-CV-2014-00157 or in any other proceeding or by any other manner, relating in any way to any and all actions or omissions relating to EPS, and from any and all actions, causes of action, rights, suits, judgments, demands, appeals and claims of liability for loss or damages of any kind, in law or equity, administrative or otherwise, including any claims for costs or attorneys' fees, which CARIÑOS may have relating to EPS through the date of this Agreement. This release includes, without limitation, any known or unknown claims relating to EPS which were or could have been brought under federal and state constitutional law, and federal and state statutory or common law through the date of this Agreement.

2. EPS and its agents, representatives, attorneys, assigns, and anyone else claiming on behalf of or through EPS (collectively and individually referred to herein as "EPS") for good and valuable consideration, as described herein, hereby releases CARIÑOS, and all of the former and

current officials, employees, agents, representatives, attorneys, insurers, successors, and assigns, each in their individual and official capacities (collectively and individually referred to herein as "CARIÑOS") from any and all liability regarding all matters raised or which could have been raised on or prior to the date of this Agreement by or on behalf of EPS in any other proceeding or by any other manner, relating in any way to any and all actions or omissions of CARIÑOS, and from any and all actions, causes of action, rights, suits, judgments, demands, appeals and claims of liability for loss or damages of any kind, in law or equity, administrative or otherwise, including any claims for costs or attorneys' fees, which the EPS may have relating to CARIÑOS through the date of this Agreement. This release includes, without limitation, any claims relating to CARIÑOS which were or could have been brought under federal and state constitutional law, and federal and state statutory or common law through the date of this Agreement.

3. CARIÑOS and EPS further agree and acknowledge that the release contained in this Agreement extends to and includes any and all losses, damages, injuries, and claims, known or unknown, including any that may be discovered in the future, which relate to the Lease and that occurred on or prior to the date of this Agreement.

4. CARIÑOS and EPS further agree and acknowledges that this Agreement is in settlement of disputed claims relating to the Lease and that the settlement of such claims shall not be construed, interpreted, or represented as an admission of fault, culpability, or wrongdoing by CARIÑOS or EPS or any of their respective current and former officials or employees and shall never be treated as evidence of liability or responsibility by them at any time or in any manner whatsoever.

5. As consideration for the release granted herein and in consideration of the other terms set forth in this Agreement, including without limitation, the consideration set forth in this paragraph CARIÑOS and EPS hereby further agree as follows:

a. On or before June 30, 2016, EPS will convey to CARIÑOS by quitclaim deed in fee simple the real property located at 714 Calle don Diego, Espanola, New Mexico (the "Property"), currently utilized as the EPS Administration building subject to the following terms:

- i. The Property is conveyed "As-Is";
- ii. Prior to closing, CARIÑOS shall have the opportunity to conduct or facilitate an inspection of the Property, to seek review and input from the New Mexico Public School Facilities Authority, and to seek inspection by the Construction Industries Division of the New Mexico Regulation and Licensing Department;
- iii. The real property transfer shall have standard title insurance paid for by EPS;
- iv. The Property shall be transferred with all technology infrastructure including existing wiring, but not including servers, routers, computers or technology equipment;
- v. The transfer of the Property shall not include furnishings, appliances or equipment owned by the District and shall not include any item purchased with state or federal grants that require EPS to retain ownership of the item; and

- vi. The transfer of the Property shall be subject to any required state and/or federal approvals, including but not limited to approvals required by the New Mexico Board of Finance.
- b. In addition to the Property, EPS will transfer ownership of the portable structure located on the Property more particularly described as: a 24 foot by 62 foot portable school building on permanent foundation, beige in color with a metal roof.
- c. From the date of closing on the transfer on the Property until June 30, 2017, EPS shall be entitled to lease the warehouse on the Property for its exclusive use and storage.
- d. In lieu of the provision of transportation services, food service or custodial services to CARINOS at EPS' expense, EPS agrees to pay to CARINOS the total sum of Seventy Five Thousand Dollars (\$75,000.00) with Fifty Thousand Dollars (\$50,000.00) payable on or after the date of closing on the Property and before June 30, 2016 and Twenty Five Thousand Dollars (\$25,000) payable between July 1, 2016 and August 31, 2016.
- e. EPS agrees to convey a 1999 International Thomas 71 passenger school bus, certified for activities use, vehicle identification number (VIN)1HVBBAAN2XH662154.
- f. CARINOS and EPS agree that the playground equipment which had previously been designated by EPS for placement with CARINOS, shall be placed at the location of the Property on or after July 1, 2016, but not later than August 1, 2016.

g. CARIÑOS and EPS agree to jointly develop and circulate a press release with a simple description of this Agreement, to be publicly issued on the date of signature by both parties.

h. CARIÑOS and EPS agree that EPS may continue to utilize, occupy and have ingress and egress to the warehouse located on the Property up to, but no later than, June 30, 2017, and agree that CARIÑOS and EPS shall execute a simple lease agreement for that period.

6. CARIÑOS and EPS agree and acknowledge that this Settlement Agreement and Release represents the entire agreement between the parties, and that the terms of this Agreement are contractual and not a mere recital.

7. CARIÑOS and EPS expressly warrant and represent that prior to executing this Settlement Agreement and Release, they each have fully informed themselves of its terms, conditions, contents, and effects, that they each fully understand it is a full and final release, that they each are acting upon their independent and considered judgment and have had the opportunity to seek the advice of counsel, and have not relied upon any statements or representations not set forth in this document. CARIÑOS and EPS further acknowledge and agree that they each have the right to consult an attorney regarding this Agreement and that they each execute this instrument freely and voluntarily.

8. CARIÑOS shall be responsible for payment of taxes, if any, due on the amounts received under paragraphs 5. CARIÑOS understands that no taxes have been or will be withheld

from any amounts paid under this Agreement. CARIÑOS further agrees to that is solely responsible for any taxes owed under paragraphs 5 and 6(a) of this Agreement.

9. This Settlement Agreement and Release is made pursuant to New Mexico law, subject to the jurisdiction of the First Judicial District Court in Santa Fe, County and may be executed in counterparts and each duly executed copy shall have the same force and effect as the original.

(REMAINDER OF PAGE INENTIONALLY LEFT BLANK)

This Settlement Agreement and Release is executed on the dates indicated below,
effective as of the latest such date.

CARIÑOS DE LOS NIÑOS CHARTER SCHOOL

Juanita I. Cata
Juanita Cata
Governing Board President

Date: 3-1-16

ACKNOWLEDGEMENT

State of New Mexico)
County of Rio Arriba)ss.

This Settlement Agreement and Release was subscribed and sworn to before me on this
1 day of March, 2016 by Juanita Cata on behalf of Cariños de Los Niños Charter
School.

My Commission Expires:
04.26.16



ESPAÑOLA PUBLIC SCHOOLS

Pablo E. Luján
Pablo Luján
Board of Education President

Date: 3-3-2016

ACKNOWLEDGEMENT

State of New Mexico)
County of Rio Arriba)ss.

This Settlement Agreement and Release was subscribed and sworn to before me on this
3rd day of March, 2016 by Pablo Luján on behalf of the Española Public Schools.

Esther V. Romero
Notary Public

My Commission Expires:
2/7/19



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Page 7 of 7